



MULTIFAMILY REPORT

Philly Market Adapts

December 2024

YoY Rent Growth Outpaces US

Pipeline Anchored by Lifestyle Assets

Transaction Activity Picks Up

PHILADELPHIA MULTIFAMILY



Short-Term Rent Growth Flat Amid Solid Supply

Metro Philadelphia's average advertised asking rents remained unchanged on a trailing three-month basis through October, at \$1,797. Meanwhile, the national figure was down 0.1%. Philadelphia's advertised asking rates were up 2.2% year-over-year or 130 basis points above the U.S., figure despite pressure from new deliveries.

Greater Philadelphia added 70,200 net jobs over the 12-month period ending in August. Leading job growth, education and health services added 36,900 positions. At 4.6% in August, the unemployment rate was the highest recorded this year, according to Bureau of Labor Statistics data. The figure was 40 basis points above the national average. A new megadevelopment is poised to reshape the stadium district. It will be located just east of Comcast Spectacor's \$2.5 billion mixed-use project. Hines seeks to rezone 700 Packer Ave. to develop a live-work-play district with 1,367 residential units, an office tower and dining and retail space.

During the first 10 months of the year, Philadelphia added 6,038 units to its existing multifamily inventory. Developers had 16,522 units under construction and an additional 76,000 in the planning and permitting stages. Transaction activity picked up, with the \$888 million sales volume already surpassing the \$584 million total of the past year.

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Recent Philadelphia Transactions

Matson Mill



City: Conshohocken, Pa.
Buyer: Goldman Sachs & Co.
Purchase Price: \$109 MM
Price per Unit: \$389,286

Petoni



City: Philadelphia
Buyer: Chelsea Management
Purchase Price: \$25 MM
Price per Unit: \$113,575

25 West



City: Philadelphia
Buyer: The HOW Group
Purchase Price: \$22 MM
Price per Unit: \$325,373